

CITY OF CARBONDALE
Carbondale, Kansas

**FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT**

December 31, 2015

CITY OF CARBONDALE

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INDEPENDENT AUDITOR'S REPORT

City Council
City of Carbondale
Carbondale, Kansas

Report on Financial Statements

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Carbondale, Kansas, (primary government only) as of and for the year ended December 31, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note C to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note C of the financial statement, the financial statement is prepared by the City of Carbondale to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of City of Carbondale as of December 31, 2015, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Carbondale as of December 31, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note C.

Report on Regulatory Basis Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditure-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note C.



Agler & Gaeddert, Chartered
July 26, 2016

City of Carbondale, Kansas

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended December 31, 2015

	Beginning Unencumbered Cash Balance Restated	Prior Year Cancelled Encumbrances
Governmental type funds		
General	\$ 247,969	\$ 0
Special purpose		
Swimming pool	85,849	0
Court bond	1,871	0
Equipment reserve	73,582	0
Police equipment	32,694	0
Library	0	0
Recreation	0	0
Special highway	56,805	0
Capital projects		
Improvement reserve	191,857	0
Police special reserve	1	0
Community development block grant	1	0
Water replacement reserve	174,991	0
Sewer replacement reserve	91,832	0
Street reserve	10,000	0
Water grant	15	0
Swimming pool bond reserve	98,530	0
Business funds		
Water	246,126	0
Sewer	125,765	0
Trash	20,699	0
Total primary government	<u>1,458,587</u>	<u>0</u>
Related Municipal Entities		
Library	76,398	0
Recreation	17,433	0
Total related municipal entities	<u>93,831</u>	<u>0</u>
Total	<u><u>\$ 1,552,418</u></u>	<u><u>\$ 0</u></u>
Composition of cash		
First Security Bank - General	\$ 948,737	
First Security Bank - Payroll	2,403	
First Security Bank - Consumer Deposits	11,988	
First Security Bank - Police Special Account	1	
First Security Bank - Court Bond	5,581	
First Security Bank - Water Grant	15	
First Security Bank - CDBG	1	
First Security Bank - Improvement Reserve	198,563	
First Security Bank - Equipment Reserve	83,732	

The accompanying notes are an integral part of this statement.

Statement 1

<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
\$ 606,656	\$ 505,467	\$ 349,158	\$ 0	\$ 349,158
111,905	112,371	85,383	0	85,383
21,392	17,682	5,581	0	5,581
10,150	0	83,732	0	83,732
6,464	8,689	30,469	0	30,469
38,494	38,494	0	0	0
25,832	25,832	0	0	0
37,226	60,000	34,031	0	34,031
3,315,302	3,308,597	198,562	0	198,562
0	0	1	0	1
0	0	1	0	1
23,151	4,178	193,964	0	193,964
1,996,017	2,287,438	(199,589)	342,897	143,308
80,014	0	90,014	0	90,014
0	0	15	0	15
25,128	0	123,658	0	123,658
575,804	532,967	288,963	0	288,963
192,068	148,551	169,282	0	169,282
74,940	71,316	24,323	0	24,323
<u>7,140,543</u>	<u>7,121,582</u>	<u>1,477,548</u>	<u>342,897</u>	<u>1,820,445</u>
58,160	57,274	77,284	2,529	79,813
84,068	88,929	12,572	0	12,572
<u>142,228</u>	<u>146,203</u>	<u>89,856</u>	<u>2,529</u>	<u>92,385</u>
<u>\$ 7,282,771</u>	<u>\$ 7,267,785</u>	<u>\$ 1,567,404</u>	<u>\$ 345,426</u>	<u>\$ 1,912,830</u>

First Security Bank - Police Equipment	\$ 30,469
First Security Bank - Sewer Replacement	143,307
First Security Bank - Water Replacement	193,964
First Security Bank - Swim Pool Bond Reserve	123,658
First Security Bank - Street Reserve	90,014
First Security Bank - Recreation	11,461
First Security Bank - Recreation	1,111
First Security Bank - Library	79,813
Total cash balance	<u>1,924,818</u>
Less Agency cash per Schedule 3	<u>11,988</u>
Total reporting entity (excluding agency funds)	<u>\$ 1,912,830</u>

The accompanying notes are an integral part of this statement.

City of Carbondale, Kansas

NOTES TO FINANCIAL STATEMENT

December 31, 2015

NOTE A. MUNICIPAL REPORTING ENTITY

The City of Carbondale is a municipal corporation governed by a mayor-council form of government with five member council. This financial statement presents the City of Carbondale (the municipality) primary government only. The component units if any are not included in these financial statements.

Related Municipal Entities

The Library provides reading and research materials for the residents of the City. The Board members for the Library are appointed by the City Council. Because the Library is not a separate taxing entity by state statutes, the City levies taxes for the Library's operations. The financial data of the Library is reported as a related municipal entity in Schedule 2 of the report.

The Recreation Commission provides recreational facilities and services for the residents of the City. The Board members for the Recreation Commission are appointed by the City Council. The Commission is not a separate taxing entity and therefore the City levies taxes for the Commission's operations. The financial data of the Recreation Commission is reported as a related municipal entity in Schedule 2 of the report.

NOTE B. REGULATORY BASIS FUND TYPES

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The City potential could have the following types of funds.

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds – used to account for the proceeds of specific tax levies and other specific revenues sources (other than Capital Project and tax levies for long-term debt) that are intended for specific purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and used to make payments of general long-term debt.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business Fund – funds financed in whole or part by fees charged to users of goods or services (i.e. enterprise and internal service funds etc.).

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipality reporting entity scholarship funds, etc). The City does not have any of these type funds at the present time.

Agency Fund – funds used to report assets held by the municipal reporting entity in purely a custodial capacity (payroll clearing fund, tax collection accounts, etc.).

NOTE C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and departure from Accounting Principles Generally Accepted in the United States of America - The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All

City of Carbondale, Kansas

NOTES TO FINANCIAL STATEMENT

December 31, 2015

NOTE C. BASIS OF ACCOUNTING - continued

recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above.

City of Carbondale has approved a resolution that it is in compliance with K.S.A. 75-1120a (c) waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

NOTE D. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Adjustment for Qualifying Budget Credits – Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

All legal annual operating budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

City of Carbondale, Kansas

NOTES TO FINANCIAL STATEMENT December 31, 2015

NOTE D. BUDGETARY INFORMATION - continued

A legal operating budget is not required for the following funds:

Court Bond Fund Equipment Reserve Fund Police Equipment Fund Improvement Fund
Police Special Reserve Fund Community Development Block Grant Water Replacement Reserve
Sewer Replacement Reserve Street Reserve Water Fund Grants Swimming Pool Bond Reserve

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing board.

NOTE E. CASH AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the bank to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk - State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City has no investments other than certificates of deposit.

Custodial credit risk -- deposits: Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year.

At December 31, 2015, the carrying amount of the City's book balance was \$1,832,431 and the bank balance was \$1,870,098. The bank balance was held by one bank resulting in a concentration of credit risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,620,098 was collateralized with securities held by the pledging financial institution's agents in the City's name.

At December 31, 2015, the Library's carrying amount of deposits was \$72,177 and the bank balance was \$72,177. The difference between the carrying amount and the bank balance was outstanding checks and outstanding deposits. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$72,177 was covered by FDIC insurance.

At December 31, 2015, the Recreation's carrying amount of deposits was \$12,573 and the bank balance was \$12,543. The bank balance was held by one bank resulting in a concentration of credit risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, \$12,543 was covered by FDIC insurance.

Custodial credit risk -- investments: For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments be adequately secured. The City had no such investments at year end.

City of Carbondale, Kansas

NOTES TO FINANCIAL STATEMENT
December 31, 2015

NOTE. F LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2015, were as follows:

<u>Debt Issued</u>	<u>Interest</u>	<u>Date of Issue</u>	<u>Amount Issued</u>	<u>Maturity</u>
General Obligation Bonds:				
Series 2009	3.5 - 4.25%	5/13/2009	\$ 300,000	10/15/2019
Series 2015	.85 - 3.00%	8/31/2015	2,375,000	2/1/2026
Revenue Bonds				
Series 2009	3.5 - 5.5%	9/29/2009	985,000	2/15/2030
Series 2015	.75 - 3.75%	11/18/2015	925,000	2/15/2030
Loan Agreement:				
Kansas Public Water Pollution Control Revolving Fund	2.83%	2/7/2014	1,683,163	
Kansas Public Water Supply Loan Fund				
State Revolving Loan Water #2186	4.42%	8/1/2004	1,350,460	8/1/2022
State Revolving Loan Water #2413	3.42%	8/1/2006	2,617,294	2/1/2026

<u>Debt Issued</u>	<u>Beginning of Year Balance</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>End of Year Balance</u>	<u>Interest & Fees</u>
General Obligation Bonds:					
Series 2009	\$ 165,000	\$ 0	\$ 165,000	\$ 0	\$ 2,885
Series 2015	0	2,375,000	0	2,375,000	0
Revenue Bonds					
Series 2009	885,000	0	885,000	0	49,725
Series 2015	0	925,000	0	925,000	0
Loan Agreement:					
Kansas Public Water Pollution Control Revolving Fund	187,302	1,495,861	0	1,683,163	0
Kansas Public Water Supply Loan Fund					
State Revolving Loan Water #2186	537,778	0	537,778	0	28,593
State Revolving Loan Water #2413	1,753,206	0	1,753,206	0	74,828
	<u>\$ 3,528,286</u>	<u>\$ 4,795,861</u>	<u>\$ 3,340,984</u>	<u>\$ 4,983,163</u>	<u>\$ 156,031</u>

Interest:	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General obligation bonds	\$ 42,576	\$ 44,365	\$ 41,125	\$ 36,828	\$ 31,888
Revenue bonds	18,140	23,944	23,188	22,226	21,126
Kansas Water Pollution Control	unknown	0	0	0	0
Total interest	<u>\$ 60,716</u>	<u>\$ 68,309</u>	<u>\$ 64,313</u>	<u>\$ 59,054</u>	<u>\$ 53,014</u>

	<u>2021-2025</u>	<u>2026-2030</u>	<u>2031-2035</u>	<u>Total</u>
Interest:				
General obligation bonds	\$ 82,700	\$ 1,125	\$ 0	\$ 280,607
Revenue bonds	83,700	32,438	0	224,762
Kansas Water Pollution Control	0	0	0	0
Total interest	<u>\$ 166,400</u>	<u>\$ 33,563</u>	<u>\$ 0</u>	<u>\$ 505,369</u>

City of Carbondale, Kansas

NOTES TO FINANCIAL STATEMENT December 31, 2015

NOTE G. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General	Equipment Reserve	K.S.A. 12-825d	\$ 5,000
General	Improvement Reserve	K.S.A. 12-825d	15,000
General	Police Equipment Reserve	K.S.A. 12-825d	5,000
General	Equipment Reserve	K.S.A. 12-825d	5,000
General	Street Reserve	K.S.A. 12-825d	20,000
Sewer	Sewer Reserve	K.S.A. 68-590	50,000
Special highway	Street Reserve	K.S.A. 68-590	60,000
Swimming pool	Swim pool bond reserve	K.S.A. 68-590	25,000
Water	Water replacement reserve	K.S.A. 68-590	15,000

NOTE H. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS

Other Post Employment Benefits: As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retiree's health insurance plan because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been qualified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (CORBA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Compensated Absences: Full time employees may accrue vacation at varying intervals, according to length of service, carryover is limited to 40 hours. Vacation is paid upon resignation, retirement or when taken and recognized as an expenses at that time.

Sick leave accrues at the rate of 4 hours per pay period for full-time employees and is limited to a maximum of 960 hours. Accrued sick leave will not be paid upon termination or retirement. The City's policy is to record sick leave expense when paid.

NOTE I. DEFINED BENEFIT PENSION PLAN

Plan description. The City of Carbondale participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publically available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal revenue code.

City of Carbondale, Kansas

NOTES TO FINANCIAL STATEMENT December 31, 2015

NOTE I. DEFINED BENEFIT PENSION PLAN - continued

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 0.85% contribution for the Death and Disability Program) and the statutory contribution rate was 9.48% for KPERS for the fiscal year ended December 31, 2015. Contributions to the pension plan from the City were \$24,794 for KPERS for the year ended December 31, 2015.

Net Pension Liability At December 31, 2015, the City of Carbondale's proportionate share of the collective net pension liability reported by KPERS was \$200,213. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. The City of Carbondale's proportion of the net pension liability was based on the ratio of the City of Carbondale's contributions to KPERS, relative to the total employer and nonemployer contributions of the local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

NOTE J. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Settlement of claims has not exceeded commercial insurance coverage in any of the last three fiscal years.

NOTE K. CAPITAL PROJECTS

<u>Project</u>	<u>Authorized</u>	<u>Expended</u>
Sewer project	\$3,681,800	\$2,377,634

NOTE L. OTHER INFORMATION

Ad Valorem Tax Revenue: The determination of assessed valuation and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser's office annually determines assessed valuation and the County Clerk spreads the annual assessment to the taxing units. One-half of the property taxes are due December 20 and distributed to the City by January 20 to finance a portion of the current year's budget. The second half is due May 20 and distributed to the City by June 5. The City draws available funds from the County Treasurer's office at designated times throughout the year.

Reimbursed Expenses: The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursement as revenue in the same fund. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits.

Compliance with Kansas Statutes: References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the State Director of Accounts and Reports and interpretation by the legal representative of the municipality.

The City exceed available resources in the "Sewer Replacement Reserve". However the fund has resources available from a loan to cover the deficit. The City is not aware of any other statute violations.

City of Carbondale, Kansas

NOTES TO FINANCIAL STATEMENT
December 31, 2015

NOTE M. PRIOR PERIOD RESTATEMENTS

	Unencumbered Cash Beginning of year	Adjustment	Unencumbered Cash Beginning of year Restated
General	\$ 245,888	\$ 2,881	\$ 248,769
Court Bond	1,871	(860)	1,011
Equipment Reserve	73,576	6	73,582
Police Equipment	24,994	7,700	32,694
Improvement Reserve	152,397	38,660	191,057
Water Replacement Reserve	225,746	(50,755)	174,991
Sewer Replacement Reserve	45,974	45,858	91,832
Water Grant	14	1	15
Recreation	18,228	(795)	17,433
Consumer Deposits	17,028	(239)	16,789

The adjustment consists of reconciling cash balances per general ledger to detailed reconciliations.

NOTE N. SUBSEQUENT EVENTS

Subsequent Events: The City evaluated subsequent events through July 26, 2016, the date the financial statements were available to be issued. No subsequent events were identified which require disclosure.

**REGULATORY BASIS
SUPPLEMENTARY INFORMATION**

City of Carbondale, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
(Budgeted Funds Only)
For the Year Ended December 31, 2015

	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
General	\$ 691,275	\$ 0	\$ 691,275	\$ 505,467	\$ (185,808)
Special purpose					
Swimming pool	119,275	0	119,275	112,371	(6,904)
Library	39,483	0	39,483	38,494	(989)
Recreation	26,892	0	26,892	25,832	(1,060)
Special highway	60,000	0	60,000	60,000	0
Business funds					
Water	589,177	0	589,177	532,967	(56,210)
Sewer	225,247	0	225,247	148,551	(76,696)
Trash	80,050	0	80,050	71,316	(8,734)

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2a

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

	2015		Variance Over (Under)
	Actual	Budget	
Receipts			
Taxes			
Ad valorem	\$ 272,053	\$ 281,658	\$ (9,605)
Delinquent	7,129	10,000	(2,871)
Motor vehicle	50,732	50,997	(265)
Recreational vehicle	1,300	1,289	11
16/20M vehicle	100	267	(167)
Sales tax	<u>180,152</u>	<u>191,500</u>	<u>(11,348)</u>
Subtotal	<u>511,466</u>	<u>535,711</u>	<u>(24,245)</u>
Intergovernmental			
Local alcohol liquor fund	0	437	(437)
Court	<u>22,677</u>	<u>65,000</u>	<u>(42,323)</u>
Subtotal	<u>22,677</u>	<u>65,437</u>	<u>(42,760)</u>
Licenses and permits			
Dog licenses	475	450	25
City licenses	1,185	1,500	(315)
Zoning fees	250	1,000	(750)
Lake lease	4,094	5,459	(1,365)
Franchise fees	45,598	48,082	(2,484)
Hall rental	<u>635</u>	<u>750</u>	<u>(115)</u>
Subtotal	<u>52,237</u>	<u>57,241</u>	<u>(5,004)</u>
Reimbursed expenses	19,736	12,500	7,236
Set-off payments	87	100	(13)
Interest	<u>453</u>	<u>500</u>	<u>(47)</u>
Total receipts	<u>606,656</u>	<u>\$ 671,489</u>	<u>\$ (64,833)</u>
Expenditures			
General operating	105,825	110,100	(4,275)
General Police	187,227	239,200	(51,973)
General Streets	94,199	248,750	(154,551)
Animal control	220	525	(305)
City Park	10,837	11,000	(163)
Court	17,544	21,000	(3,456)
Fish and lakes	7,047	11,000	(3,953)
General street lighting	13,115	18,000	(4,885)
General zoning	3,820	4,000	(180)
General maintenance	5,144	5,700	(556)
General recreation	2,100	0	2,100

See Independent Auditor's Report.

City of Carbondale, Kansas**Schedule 2a**

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

	<u>2015</u>		<u>Variance</u>
	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
			<u>(Under)</u>
Expenditures - continued			
Compliance	\$ 4,249	\$ 0	\$ 4,249
Donations	3,200	0	3,200
Other	940	0	940
Operating transfers	<u>50,000</u>	<u>22,000</u>	<u>28,000</u>
Total expenditures	<u>505,467</u>	<u>\$ 691,275</u>	<u>\$ (185,808)</u>
Receipts over (under) expenditures	\$ 101,189		
Unencumbered cash, beginning cash	<u>247,969</u>		
Unencumbered cash, ending cash	<u>\$ 349,158</u>		

See Independent Auditor's Report.

City of Carbondale, Kansas**Schedule 2b**

SPECIAL PURPOSE FUND
 SWIMMING POOL
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 For the Year Ended December 31, 2015

	2015		Variance Over (Under)
	Actual	Budget	
Receipts			
Taxes			
Sales tax	\$ 111,779	\$ 125,000	\$ (13,221)
Total taxes	111,779	125,000	(13,221)
Use of money and property			
Interest on idle funds	126	75	51
Total receipts	111,905	\$ 125,075	\$ (13,170)
Expenditures			
Pool Maintenance and repair	7,796	\$ 10,000	\$ (2,204)
Chemical	0	10,000	(10,000)
Bond interest	79,575	79,575	0
Operating transfers	25,000	19,700	5,300
Total expenditures	112,371	\$ 119,275	\$ (6,904)
Receipts over (under) expenditures	(466)		
Unencumbered cash, beginning cash	85,849		
Unencumbered cash, ending cash	\$ 85,383		

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2c

**SPECIAL PURPOSE FUND
COURT BOND FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Court fees	\$ <u>21,392</u>
Total receipts	<u>21,392</u>
Expenditures	
Court costs	<u>17,682</u>
Total expenditures	<u>17,682</u>
Receipts over (under) expenditures	3,710
Unencumbered cash, beginning cash	<u>1,871</u>
Unencumbered cash, ending cash	\$ <u><u>5,581</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2d

**SPECIAL PURPOSE FUND
EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Intergovernmental	
Other	\$ 55
Use of money and property	
Interest on idle funds	95
Operating transfers	
Transfers in	<u>10,000</u>
Total receipts	<u>10,150</u>
Expenditures	
Contractual services	<u>0</u>
Total expenditures	<u>0</u>
Receipts over (under) expenditures	10,150
Unencumbered cash, beginning cash	<u>73,582</u>
Unencumbered cash, ending cash	<u><u>\$ 83,732</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2e

**SPECIAL PURPOSE FUND
POLICE EQUIPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Intergovernmental	
Other	\$ 6,428
Use of money and property	
Interest on idle funds	<u>36</u>
Total taxes	<u>6,464</u>
Expenditures	
Equipment	<u>8,689</u>
Total expenditures	<u>8,689</u>
Receipts over (under) expenditures	(2,225)
Unencumbered cash, beginning cash	<u>32,694</u>
Unencumbered cash, ending cash	<u><u>\$ 30,469</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2f

SPECIAL PURPOSE FUND

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2015

	2015		Variance Over (Under)	
	Actual	Budget		
Receipts				
Taxes				
Ad valorem	\$ 31,918	\$ 32,535	\$	(617)
Delinquent	703	1,000		(297)
Motor vehicle	5,727	5,772		(45)
Recreational vehicle	146	176		(30)
Total receipts	<u>38,494</u>	<u>\$ 39,483</u>	\$	<u>(989)</u>
Expenditures				
Appropriations	<u>38,494</u>	<u>\$ 39,483</u>	\$	<u>(989)</u>
Total expenditures	<u>38,494</u>	<u>\$ 39,483</u>	\$	<u>(989)</u>
Receipts over (under) expenditures	0			
Unencumbered cash, beginning cash	<u>0</u>			
Unencumbered cash, ending cash	<u>\$ 0</u>			

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2g

SPECIAL PURPOSE FUND
RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

	2015		Variance Over (Under)	
	Actual	Budget		
Receipts				
Taxes				
Ad valorem	\$ 21,118	\$ 22,033	\$	(915)
Delinquent	564	650		(86)
Motor vehicle	4,046	4,075		(29)
Recreational vehicle	<u>104</u>	<u>131</u>		<u>(27)</u>
Total receipts	<u>25,832</u>	\$ <u>26,889</u>	\$	<u>(1,057)</u>
 Expenditures				
Appropriations	<u>25,832</u>	\$ <u>26,892</u>	\$	<u>(1,060)</u>
Total expenditures	<u>25,832</u>	\$ <u>26,892</u>	\$	<u>(1,060)</u>
 Receipts over (under) expenditures	0			
 Unencumbered cash, beginning cash	<u>0</u>			
 Unencumbered cash, ending cash	\$ <u>0</u>			

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2h

SPECIAL PURPOSE FUND
SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

	2015		Variance Over (Under)	
	Actual	Budget		
Receipts				
Taxes				
State gas tax	\$ 37,145	\$ 36,490	\$	655
Use of money and property				
Interest on idle funds	<u>81</u>	<u>0</u>		<u>81</u>
Total receipts	<u>37,226</u>	\$ <u>36,490</u>	\$	<u>736</u>
 Expenditures				
Transfers out	<u>60,000</u>	\$ <u>60,000</u>	\$	<u>0</u>
Total expenditures	<u>60,000</u>	\$ <u>60,000</u>	\$	<u>0</u>
Receipts over (under) expenditures	(22,774)			
Unencumbered cash, beginning cash	<u>56,805</u>			
Unencumbered cash, ending cash	\$ <u>34,031</u>			

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2i

**CAPITAL PROJECTS
IMPROVEMENT RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Intergovernmental	
Bond proceeds	\$ 3,315,050
Use of money and property	
Interest on idle funds	<u>252</u>
Total cash receipts	<u>3,315,302</u>
Expenditures	
GO Bonds	3,296,922
Improvements	<u>11,675</u>
Total expenditures	<u>3,308,597</u>
Receipts over (under) expenditures	6,705
Unencumbered cash, beginning cash	<u>191,857</u>
Unencumbered cash, ending cash	<u><u>\$ 198,562</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2j

**CAPITAL PROJECTS
POLICE SPECIAL RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Intergovernmental	
Grants	\$ <u>0</u>
Total cash receipts	<u>0</u>
Expenditures	
Equipment	<u>0</u>
Total expenditures	<u>0</u>
Receipts over (under) expenditures	0
Unencumbered cash, beginning cash	<u>1</u>
Unencumbered cash, ending cash	\$ <u><u>1</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2k

**CAPITAL PROJECTS
COMMUNITY DEVELOPMENT BLOCK GRANT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Intergovernmental	
Grants	\$ <u>0</u>
Total cash receipts	<u>0</u>
Expenditures	
Equipment	<u>0</u>
Total expenditures	<u>0</u>
Receipts over (under) expenditures	0
Unencumbered cash, beginning cash	<u>1</u>
Unencumbered cash, ending cash	\$ <u><u>1</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 21

**CAPITAL PROJECTS
WATER REPLACEMENT RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Intergovernmental	
Reimbursements	\$ 7,870
Use of money and property	
Interest on idle funds	281
Operating transfers	
Transfers in	<u>15,000</u>
Total cash receipts	<u>23,151</u>
Expenditures	
Contractual	<u>4,178</u>
Total expenditures	<u>4,178</u>
Receipts over (under) expenditures	18,973
Unencumbered cash, beginning cash	<u>174,991</u>
Unencumbered cash, ending cash	<u><u>\$ 193,964</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2m

**CAPITAL PROJECTS
SEWER REPLACEMENT RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Intergovernmental	
Loans	\$ 1,495,861
Reimbursements	50,000
CDBG grant	450,000
Use of money and property	
Interest on idle funds	<u>156</u>
Total cash receipts	<u>1,996,017</u>
 Expenditures	
Contractual	<u>2,287,438</u>
Total expenditures	<u>2,287,438</u>
Receipts over (under) expenditures	(291,421)
Unencumbered cash, beginning cash	<u>91,832</u>
Unencumbered cash, ending cash	<u><u>\$ (199,589)</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2n

**CAPITAL PROJECTS
STREET RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Operating transfers	
Transfers in	\$ 80,000
Use of money and property	
Interest on idle funds	<u>14</u>
Total cash receipts	<u>80,014</u>
Expenditures	
Contractual	<u>0</u>
Total expenditures	<u>0</u>
Receipts over (under) expenditures	80,014
Unencumbered cash, beginning cash	<u>10,000</u>
Unencumbered cash, ending cash	<u><u>\$ 90,014</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2o

**CAPITAL PROJECTS
WATER FUND GRANTS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Operating transfers	
Transfers in	\$ <u>0</u>
Total cash receipts	<u>0</u>
Expenditures	
Contractual	<u>0</u>
Total expenditures	<u>0</u>
Receipts over (under) expenditures	0
Unencumbered cash, beginning cash	<u>15</u>
Unencumbered cash, ending cash	\$ <u><u>15</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2p

**CAPITAL PROJECTS
SWIMMING POOL BOND RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015**

	<u>2015 Actual</u>
Receipts	
Operating transfers	
Transfers in	\$ 25,000
Use of money and property	
Interest on idle funds	<u>128</u>
Total cash receipts	<u>25,128</u>
Expenditures	
Contractual	<u>0</u>
Total expenditures	<u>0</u>
Receipts over (under) expenditures	25,128
Unencumbered cash, beginning cash	<u>98,530</u>
Unencumbered cash, ending cash	<u><u>\$ 123,658</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2g

BUSINESS FUNDS
WATER
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

	2015		Variance Over (Under)	
	Actual	Budget		
Receipts				
Fees				
Charges for services	\$ 553,584	\$ 600,000	\$	(46,416)
Bulk sales	3,427	6,000		(2,573)
Connection and late fees	16,812	0		16,812
Sales tax	<u>1,093</u>	<u>2,000</u>		<u>(907)</u>
Total fees	574,916	608,000		(33,084)
Use of money and property				
Interest on idle funds	377	200		177
Reimbursed expenses	<u>511</u>	<u>2,000</u>		<u>(1,489)</u>
Total receipts	<u>575,804</u>	<u>\$ 610,200</u>	\$	<u>(34,396)</u>
Expenditures				
Operations				
Wages	112,901	\$ 130,000	\$	(17,099)
Administrative				
Administrative expense	1,830	5,200		(3,370)
Lab	354	0		354
Insurance	23,353	27,500		(4,147)
Auditor	2,798	2,300		498
Legal	560	0		560
Returned checks	1,795	0		1,795
Sales tax	1,394	4,500		(3,106)
WPF payments	1,640	0		1,640
Distribution				
Supplies	7,553	10,000		(2,447)
Equipment	1,540	0		1,540
Contractual	6,001	5,000		1,001
Maintenance	687	0		687
Plant				
Maintenance	111	0		111
Equipment	286	0		286
Chemicals	23,995	38,000		(14,005)
Supply	169	8,000		(7,831)
Contractual	5,768	15,000		(9,232)
Utilities	36,245	44,000		(7,755)
Capital outlay and repair	5,308	10,000		(4,692)
Fuel	2,625	2,500		125
Vehicle	187	0		187
Uniform	601	750		(149)
Training	85	0		85

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2g

BUSINESS FUNDS

WATER

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2015

	2015		Variance Over (Under)	
	Actual	Budget		
Expenditures - continued				
Propane	\$ 4,031	\$ 0	\$ 4,031	
Miscellaneous	<u>723</u>	<u>1,000</u>	<u>(277)</u>	
Total operations	<u>242,540</u>	<u>303,750</u>	<u>(61,210)</u>	
Non- operating				
Principal and interest	275,427	275,427	0	
Transfers out	<u>15,000</u>	<u>10,000</u>	<u>5,000</u>	
Total non-operating	<u>290,427</u>	<u>285,427</u>	<u>5,000</u>	
Total expenditures	<u>532,967</u>	<u>\$ 589,177</u>	<u>\$ (56,210)</u>	
Receipts over (under) expenditures	42,837			
Unencumbered cash, beginning cash	<u>246,126</u>			
Unencumbered cash, ending cash	<u>\$ 288,963</u>			

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2r

BUSINESS FUNDS

SEWER

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2015

	2015		Variance Over (Under)	
	Actual	Budget		
Receipts				
Fees				
Charges for services	\$ 179,014	\$ 180,500	\$	(1,486)
Total fees	179,014	180,500		(1,486)
Use of money and property				
Interest on idle funds	176	100		76
Reimbursed expenses	12,878	2,000		10,878
Total receipts	192,068	\$ 182,600	\$	(2,896)
Expenditures				
Operations				
Salaries	46,844	\$ 45,000	\$	1,844
Insurance	5,325	5,800		(475)
Contractual	2,829	9,000		(6,171)
Auditor	700	575		125
Legal	32	0		32
Capital outlay and repairs	1,054	5,000		(3,946)
Supply	1,134	2,400		(1,266)
Utilities	6,995	10,000		(3,005)
Equipment	3,436	0		3,436
Maintenance	826	0		826
Vehicle	912	2,000		(1,088)
Uniforms	584	750		(166)
Fuel	2,165	7,600		(5,435)
Propane	713	0		713
Total operations	73,549	88,125		(14,576)
Non- operating				
Principal and interest	3,394	87,122		(83,728)
Replacement project 2014	20,995	0		20,995
Replacement project 2014 legal	613	0		613
Transfers out	50,000	50,000		0
Total non-operating	75,002	137,122		(62,120)
Total expenditures	148,551	\$ 225,247	\$	(76,696)

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2r

BUSINESS FUNDS

SEWER

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2015

	2015		Variance Over (Under)
	Actual	Budget	
Receipts over (under) expenditures	\$ 43,517		
Unencumbered cash, beginning cash	<u>125,765</u>		
Unencumbered cash, ending cash	<u>\$ 169,282</u>		

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2s

BUSINESS FUNDS

TRASH

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2015

	2015		Variance Over (Under)	
	Actual	Budget		
Receipts				
Fees				
Charges for services	\$ 74,902	\$ 80,100	\$	(5,198)
Use of money and property				
Interest on idle funds	<u>38</u>	<u>0</u>		<u>38</u>
Total receipts	<u>74,940</u>	<u>\$ 80,100</u>	\$	<u>(5,160)</u>
Expenditures				
Operations				
Contractual services	<u>71,316</u>	\$ <u>80,050</u>	\$	<u>(8,734)</u>
Total expenditures	<u>71,316</u>	\$ <u>80,050</u>	\$	<u>(8,734)</u>
Receipts over (under) expenditures	3,624			
Unencumbered cash, January 1	<u>20,699</u>			
Unencumbered cash, December 31	\$ <u>24,323</u>			

See Independent Auditor's Report.

City of Carbondale, Kansas**Schedule 2t**

RELATED MUNICIPAL ENTITY
LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

	2015 Actual
Receipts	
Appropriations	\$ 37,803
Notheast Kansas Library System	15,348
State of Kansas	237
Summer Reading	200
Book Replacement Fee	84
Miscellaneous	673
Programs and events	2,513
Donations	1,194
Interest	108
	<hr/>
Total receipts	58,160
	<hr/>
Expenditures	
Payroll and Payroll Taxes	38,594
Workmen's Compensation	295
Bond Fee	100
Summer Reading	990
Telephone	850
Postage and Delivery	154
Mileage	826
Education	220
Dues and Subscriptions	178
Books	6,838
Internet	530
KOHA	675
Courier	250
Office Supplies	3,159
AT&T	1,001
Miscellaneous	2,614
	<hr/>
Total expenditures	57,274
	<hr/>
Receipts over (under) expenditures	886
	<hr/>
Unencumbered cash, beginning cash	76,398
	<hr/>
Unencumbered cash, ending cash	\$ 77,284
	<hr/>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 2u

**RELATED MUNICIPAL ENTITY
RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015**

	2015 Actual
Receipts	
Appropriations	\$ 25,832
Pool fees	21,654
Registration fees	31,112
Miscellaneous	4,175
Reimbursement and collections	1,278
Interest	<u>17</u>
Total receipts	<u>84,068</u>
Expenditures	
Personal Services	27,437
Commodities	43,262
Contractual	1,209
General expenses	11,466
Payroll taxes	<u>5,555</u>
Total expenditures	<u>88,929</u>
Receipts over (under) expenditures	(4,861)
Unencumbered cash, beginning cash	<u>17,433</u>
Unencumbered cash, ending cash	<u><u>\$ 12,572</u></u>

See Independent Auditor's Report.

City of Carbondale, Kansas

Schedule 3

**AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2015**

<u>Fund</u>	<u>Beginning Unencumbered Cash balances</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Unencumbered Cash balances</u>
Utility deposits	\$ <u>16,789</u>	\$ <u>319</u>	\$ <u>5,120</u>	\$ <u>11,988</u>
	\$ <u><u>16,789</u></u>	\$ <u><u>319</u></u>	\$ <u><u>5,120</u></u>	\$ <u><u>11,988</u></u>

See Independent Auditor's Report.